WNCA
VOC FOR IOP/FN
BACKGROUNDER NO. 5-5499 FEBRUARY 7, 1978
CHARLES MEDD

TENTATIVE COAL SETTLEMENT?

ANNCR:

THERE IS A TENTATIVE SETTLEMENT OF THE TWO-MONTH OLD COAL STRIKE, BUT THERE IS NO CERTAINTY THE NEW AGREEMENT WILL BE RATIFIED BY THE STRIKING UNITED MINEWORKERS. CHARLES MEDD EXPLAINS WHY IN THIS BACKGROUND REPORT.

VOICE:

UNION PRESIDENT ARNOLD MILLER SAYS THE TERMS OF THE NEW SETTLEMENT ARE "EXCELLENT." LABOR SECRETARY RAY MARSHALL, WHO SELDOM CONCEALS HIS SYMPATHY FOR THE AMERICAN WORKER, AGREES. AND ECONOMISTS ARE SAYING THE TENTATIVE SETTLEMENT IS THE BEST TO COME OUT OF ANY MAJOR AMERICAN INDUSTRY IN RECENT YEARS.

WHAT THEY ARE TALKING ABOUT IS A NEW THREE-YEAR LABOR CONTRACT COVERING WAGES AND BENEFITS FOR ONE HUNDRED SIXTY THOUSAND UNION MINERS. UNDER THE PROPOSED CONTRACT, WAGES WOULD RISE FROM JUST UNDER EIGHT DOLLARS TO MORE THAN TEN DOLLARS AN HOUR BY 1981. (OPT) THAT MEANS THE AVERAGE MINER WILL BE EARNING MORE THAN FOUR HUNDRED DOLLARS A WEEK, OR MORE THAN TWENTY THOUSAND DOLLARS A YEAR, EVEN WITHOUT OVERTIME PAY. (END OPT)

THE AGREEMENT ALSO CALLS FOR COMPANY GUARANTEES OF FUTURE HEALTH AND PENSION BENEFITS. THE EXPIRED CONTRACT REQUIRED COMPANIES TO PAY FIXED AMOUNTS TO SPECIAL WELFARE FUNDS BASED ON COAL PRODUCTION FIGURES. THOSE FUNDS HAVE BEEN DEPLETED BY PRODUCTION CUT-BACKS CAUSED BY A SERIES OF UNAUTHORIZED WILDCAT STRIKES THAT HAVE PLAGUED THE ENTIRE INDUSTRY IN RECENT YEARS.

BUT THE NEW GUARANTEES COME AT A PRICE THAT, SOME FEAR, THE MINEWORKERS WILL BE UNWILLING TO PAY. THE PROPOSED CONTRACT WOULD

PENALIZE MINERS WHO ENGAGE IN WILDCAT STRIKES WITH TWENTY-DOLLAR-A-DAY FINES, THE MONEY TO BE USED BY THE COMPANIES TO SUPPLEMENT THEIR CONTRIBUTIONS TO THE WELFARE FUNDS. TO THE COAL OPERATORS, THE PENALTY SYSTEM IS NEEDED TO RESTORE SOME FORM OF EMPLOYEE DISCIPLINE WHICH, THEY SAY, IS VIRTUALLY NON-EXISTENT TODAY. BUT TO THE MINERS, SUCH DISCIPLINARY MEASURES CLASH WITH THEIR OWN TRADITIONAL SENSE OF INDEPENDENCE.

WHETHER THE MINEWORKERS WILL ACCEPT THE PROPOSAL MAY BE KNOWN SHORTLY. THE TWO-STEP RATIFICATION PROCEDURES BEGAN EARLY TUESDAY WHEN THE UNION'S THIRTY-NINE MEMBER BARGAINING COUNCIL, COMPOSED OF ELECTED OFFICIALS FROM AROUND THE COUNTRY, MET IN WASHINGTON. IF THE COUNCIL APPROVES THE AGREEMENT, AND THAT IS FAR FROM CERTAIN, IT THEN GOES TO RANK-AND-FILE MEMBERS FOR A YES OR NO VOTE. WITH THE EASTERN HALF OF THE NATION FEELING THE PINCH OF VANISHING COAL SUPPLIES, AND THEIR OWN FAMILIES SUFFERING FROM TWO MONTHS WITHOUT PAYCHECKS, PRESSURE FOR A YES VOTE WILL BE CONSIDERABLE. BUT BECAUSE THE AMERICAN MINER OFTEN SEEMS IMMUNE TO SUCH PRESSURES, NO ONE IS BETTING ON THE OUTCOME.

-0-

GH/RTD